GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:674
ANSWERED ON:03.08.2011
DEVELOPMENT OF AVIATION SECTOR
Kashyap Shri Virender

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the aviation sector in India is rapidly developing and there are immense potential in this sector;

(b) if so, whether Delhi is being developed as a regional hub for the airlines by the Government;

(c) if so, the details thereof;

(d) whether the International Air Transport Association has criticized high service tax on air tickets in the country;

(e) if so, whether the Government proposes to withdraw the high service tax in order to develop the aviation sector in the country;

(f) if so, the time by which the said tax is likely to be withdrawn; and

(g) if not, the reasons therefor?

Answer

MINISTER OF OVERSEAS INDIAN AFFAIRS & MINISTER OF CIVIL AVIATION (SHRI VAYALAR RAVI)

(a):- Yes, Madam.

(b) and (c):- Airports Authority of India (AAI)has entered into Operation Management and Development Agreements (OMDA) with M/s. Delhi International Airport Limited (DIAL) for Indira Gandhi International (IGI) Airport , Delhi with an objective to develop it into world class airport. Phase-I of the development of IGI airport has been completed by constructions of the new Integerated Terminal T-3 to cater to additional 34 million passenger per annum (mppa) and can operate as a hub. it is up to the airline to take these opportunities to operate regular scheduled services from these airports and use it as regional hubs.

(d) to (g):- Ministry of Finance has declined the request of this Ministry to withdraw the service tax on air travel.